

**Allocation of power from Simhadri Thermal Power Station**

2817. SHRI SUDARSHAN AKARAPU: Will the Minister of POWER be pleased to state:

- (a) whether it is a fact that Union Government is considering allocation of power to various Southern States (apart from A.P.) from the Simhadri Thermal Power Station (STPS), located in A.P;
- (b) if so, the details thereof and the share of allocation of power to each State;
- (c) whether State Government of A.P. has made a request for allocating the entire power generated by Simhadri TPS to the State itself in view of the huge energy shortage; and
- (d) if so, whether the proposal of State Government of A.P. is under consideration and if so, at what stage?

THE MINISTER OF POWER (SHRI SUSHIL KUMAR SHINDE): (a) to (d) Simhadri TPS Stage-I (1000 MW) of NTPC is a dedicated project for Andhra Pradesh. Therefore, the entire power from this project has been allocated to Andhra Pradesh. Simhadri TPS Stage-II (1000 MW) is likely to be commissioned during Eleven Plan. Chief Minister of Andhra Pradesh had taken up the matter regarding allocation of power to the extent of 85% from Stage-II. We had clarified that Stage-II would be a regional plant and allocations would be made to all the Southern Region States.

**Gas-fired power units**

2818. SHRI KARNENDU BHATTACHARJEE: Will the Minister of POWER be pleased to state:

- (a) whether it is a fact that Government will go slow on gas-fired power units; and
- (b) if so, the details thereof along with the reasons therefor?

THE MINISTER OF POWER (SHRI SUSHIL KUMAR SHINDE): (a) and (b) Yes, Sir. Many of the gas based projects could not be taken up for implementation due to uncertainty of gas availability and its price during the Ten Five Year Plan. Even existing plants are not operating on full

capacity due to non-availability of gas. Presently, 13,581 MW capacity of combined cycle power projects are existing in the country, which are run on gas/liquid fuel. This includes 10,999 MW gas based, which requires 53.52 Million Metric Standard Cubic Metre Per Day (MMSCMD) at 90% PLF. As against this requirement, the actual supply/availability has been 36.62 MMSCMD as on 30.09.2006 leaving a shortage of around 17 MMSCMD.

Fuel price is a critical component in ensuring long term sustainability of the Thermal Power Plants as 60-65% of the cost of generation consists of fuel cost of generation. In the present scenario, demand of gas outstrips supply and higher prices of gas is resulting in higher cost of generation *vis-a-vis* the competing fuel like coal.

However, in future, scenario may change if more gas is available at reasonable price on long term basis.

#### **Enabling NTPC-BHEL to bid jointly**

2819. SHRICHITTABRATA MAJUMDAR:  
SHRI TAPAN KUMAR SEN:

Will the Minister of POWER be pleased to state:

- (a) whether any decision has been taken by Government to enable NTPC-BHEL to bid jointly for big power projects including ultra mega power projects;
- (b) if not, whether Hon'ble Prime Minister is looking into the issue in view of the Government assurance about a decade back to carry out the same;
- (c) whether BHEL-NTPC combined would be allowed to bid for power projects on 80:20 debt-equity ratio basis; and
- (d) if not, the reasons therefor?

THE MINISTER OF POWER (SHRI SUSHIL KUMAR SHINDE): (a) to (d) Government has approved the proposal for waiver of ceiling of Rs. 1,000 crore for equity investment by National Thermal Power Corporation Ltd. (NTPC) for establishing financial joint venture for participating in the bidding process of Ultra Mega Power Projects. It is left to NTPC to take commercial